

AUTHORIZATION TO: 1) SUBMIT A DISPOSITION APPLICATION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO DISPOSE OF 1232 WEST WASHBURNE AVE, 1238 WEST WASHBURNE AVE, 1252 WEST WASHBURNE AVE, 1302 WEST WASHBURNE AVE, 1320 WEST WASHBURNE AVE, 1336 WEST WASHBURNE AVE AND 1348 WEST WASHBURNE AVE (THE “LOTS”); 2) TRANSFER THE LOTS IN FEE SIMPLE TO SOS CHILDREN’S VILLAGES ILLINOIS OR AN AFFILIATE; AND 3) EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH ACTIONS AS MAY BE NECESSARY TO IMPLEMENT THE FOREGOING.

To the Honorable Board of Commissioners:

RECOMMENDATION

It is recommended that the Board of Commissioners authorize the Chief Executive Officer or his designee to: 1) Submit a disposition application to the United States Department of Housing and Urban Development (HUD) to dispose of 1232 West Washburne Ave, 1238 West Washburne Ave, 1252 West Washburne Ave, 1302 West Washburne Ave, 1320 West Washburne Ave, 1336 West Washburne Ave and 1348 West Washburne Ave (the “Lots”); 2) Transfer the Lots in fee simple to SOS Children’s Villages Illinois or an affiliate; and 3) Execute and deliver such other documents and perform such actions as may be necessary to implement the foregoing.

The Chief Development Officer and the Office of the General Counsel have completed all necessary due diligence to support the submission of this initiative and recommend the approval of this item accordingly.

CORPORATE GOALS

Develop vibrant communities and create more affordable housing.

FUNDING: Not applicable

M/W/DBE & SECTION 3 PARTICIPATION

SOS Children’s Village will comply with City of Chicago requirements.

GENERAL BACKGROUND

SOS Children’s Villages Illinois (SOSCV) is proposing the development of fourteen four-bedroom single-family homes on seven (7) CHA owned lots on the north side of Washburne Avenue between Racine Avenue and Loomis Street, directly across the street from Brooks Homes. These units will provide homes for 14 families supporting approximately 72 children. The homes will be owned and managed by SOS Children’s Villages Illinois. The property will be transferred in fee simple to SOSCV Illinois or an affiliate. Related Midwest, the developer for Roosevelt Square, will also be the

developer for SOSCV in order to develop the lots in furtherance of the Roosevelt Square development.

SOS Children's Villages Illinois is a not for profit corporation that creates homes to provide care for foster children in community settings to assure that each child grows into a productive and self-reliant adult. A key component of the model is a full-time professionally trained foster parent whose only job is to provide unconditional love and care for the children in their home. Operating funds for SOSCV are provided through a combination of Department of Children and Family Services, federal and state funds. Private donations and fundraising contribute to sustainability. In 2004, SOSCV established the Chicago Village with sixteen (16) homes in the Auburn-Gresham community on the South Side.

SOS Children's Villages Illinois has received enthusiastic acceptance from Alderman Danny Solis, Alderman Jason Ervin, Alderman LaTasha Thomas, John Chandler, UVA (Chris Provanzano), and Connecting4Communities (Dennis O'Neill). The LAC President, Deverra Beverly, has also been advised of the proposal and has visited the village at 76th and Parnell and is in support of the proposed SOSCV within the Roosevelt Square Brooks community.

Local community benefits from an SOS Children's Villages include:

- Siblings from the community are not separated or moved out of their local environment due to lack of sufficient space for the family to remain intact.
- Community members have access to SOSCV core programs and services, as well as other resources focused on building strong families and communities.
- Professional SOSCV Foster Parents interact with other community members to provide a critical support system of safety and support for family living.
- SOSCV plans to create over 55 full and part-time jobs with the development of this proposed site. These positions include twelve (12) full-time professionally trained foster parents and twenty-six (26) part-time relief parents, case managers and case aid positions, as well as other ancillary support staff. The direct service staff positions must meet all requirements of the Illinois Department of Children and Family Services (DCFS). In the Auburn Gresham community, 19% of the full-time foster parents and 21% of the relief parent staff are from the local community.

SOSCV Commensurate Public Benefits

The CHA will dispose of the property to SOSCV for \$1 and in return SOSCV has committed to deliver the services outlined in the following chart as the commensurate public benefit for the residents in the community.

SOS CHILDREN'S VILLAGE ILLINOIS DIRECT SERVICES COMMUNITY BENEFIT METRIC			
	Metric	How Goal Determined for 2013	Annual Estimated Benefit
Employment	Impact: The creation of new Full and Part Time Jobs		
	18 of the 55 New Hires will be residents from the community	Minimally one third (18) individuals from the local community will be hired by SOS Children's Villages Illinois. All community hires will be Section 3 qualified. SOS will actively recruit from the community to fill the case works, maintenance assistant and receptionist positions. 10 Full-Time 8 Part-Time	\$455,859
Education Training	Impact: Skill Development of Parenting Skills for local residents		
	12 Parenting Enrichment Courses 24 Life Skills Seminars	At least 25% participants (estimated 97 individuals) will be engaged from Roosevelt Square, Brooks Homes, Loomis Courts and the local community.	\$10,800
Youth Services	Impact: Tutoring and Educational Support ensuring successful matriculation of classes for children 6 years – 17 years. As well as, engagement of Critical Enrichment Activities providing social and life enriching opportunities		
	Weekly Tutoring and Homework Help for children ages 6 to 17 years of age Monthly Cultural and Social Enrichment Experience for children 5 to 19 years of age	150 individual hours of tutoring will occur each month for 10 months (estimated total 1,500 of tutoring to local children). At least 20 local residents will participate monthly in structured activities (estimated 720 hours annually). Establish partnerships with St. Ignatius, Smyth School and STEM elementary school.	\$32,500
Self Sufficiency	Impact: Residents act upon pragmatic skills to secure employment and independent housing		
	Employment and Life Skills Training	Work with a minimum of 20 adolescent youth, 17 years and above including youth residing at Loomis Courts and provide life skill training, as well as job employment skills - Successfully place 45% of participation in job or jobs.	\$31,200
In-Tact Family Services	Impact: A reduction of families losing custody of children in the community		
	Provide In-Home Support and Training to High-Risk Families	Annually, serve 75 at-risk families in need of In-Tact Services	\$50,700
Clinical Wellness Services	Impact: Improvement of Behavioral Health Issues for local residents and families		
	Professional Clinical Therapeutic Services provided to families and individuals	Minimally, 144 community members including residents of Loomis Courts will be outreached to access free clinical services and participate in at least 8,640 hours of therapeutic services	\$103,500
Grand Total:			\$684,559

To protect the CHA's interest in the ABLA redevelopment land the conveyance deed will contain a reversionary clause which will begin to elapse on the date the last unit is occupied, along with a covenant requiring that the reversionary right does not burn off until 85% occupancy (12 of the 14 units), by a DCFS licensed foster parent, has been maintained for 5 years. If during this 5 year period occupancy falls below 85% CHA shall have a right to demand a reconveyance of the property, provided that SOSCV shall have a 90 day cure period prior to CHA exercising such right. SOSCV shall be limited to two (2) cure periods during this 5 year period. In addition, the deed will also include a covenant running with the land for a period of fifteen (15) years, beginning on the date the last unit is occupied to ensure that the land is used for the housing of foster care families. If during this period SOSCV defaults on its loan, the lender will be allowed to foreclose on and sell the property to either a (a) non-foster care provider, provided that the CHA is reimbursed for the value of the land on the date of the conveyance, \$1,570,000, or (b) another foster care provider. Lastly, if during the period beginning on the date the last unit is occupied and ending on the date that is five years from such date, there is a sale of the project to a non- foster care facility purchaser, the CHA shall have the right to repurchase the project at a price equal to the price negotiated less the \$1,570,000. If the prospective purchaser intends to continue to operate as a foster care facility, CHA will not be entitled to the \$1,570,000 credit if CHA elects to exercise its right to purchase the property.

SOSCV Development Budget

The development budget for the SOSCV is approximately \$6,780,463 funded by a construction loan from Bond proceeds in the amount of \$4,880,463 and a City of Chicago Grant of \$1,900,000 approved by City Council in March 2013.

No CHA dollars are going towards the development of this project.

RESOLUTION NO. 2013-CHA-56

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated, July 17, 2013, entitled "AUTHORIZATION TO: 1) SUBMIT A DISPOSITION APPLICATION TO THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD) TO DISPOSE OF 1232 WEST WASHBURNE AVE, 1238 WEST WASHBURNE AVE, 1252 WEST WASHBURNE AVE, 1302 WEST WASHBURNE AVE, 1320 WEST WASHBURNE AVE, 1336 WEST WASHBURNE AVE AND 1348 WEST WASHBURNE AVE (THE "LOTS"); 2) TRANSFER THE LOTS IN FEE SIMPLE TO SOS CHILDREN'S VILLAGE ILLINOIS OR AN AFFILIATE; AND 3) EXECUTE AND DELIVER SUCH OTHER DOCUMENTS AND PERFORM SUCH ACTIONS AS MAY BE NECESSARY TO IMPLEMENT THE FOREGOING."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to: 1) Submit a disposition application to the United States Department of Housing and Urban Development (HUD) to dispose of 1232 West Washburne Ave, 1238 West Washburne Ave, 1252 West Washburne Ave, 1302 West Washburne Ave, 1320 West Washburne Ave, 1336 West Washburne Ave and 1348 West Washburne Ave (the "Lots"); 2) transfer the Lots in fee simple to SOS Children's Village Illinois or an affiliate; and 3) execute and deliver such other documents and perform such actions as may be necessary to implement the foregoing".



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